TWENTY-FOURTH REPORT

STANDING COMMITTEE ON RURAL DEVELOPMENT (2011-2012)

(FIFTEENTH LOK SABHA)

MINISTRY OF RURAL DEVELOPMENT (DEPARTMENT OF RURAL DEVELOPMENT)

[Action taken on the recommendations contained in the Twentieth Report (Fifteenth Lok Sabha) on Demands for Grants of the Ministry of Rural Development (Department of Rural Development) for the year 2011-12]

Presented to Lok Sabha on 22.03.2012

Laid in Rajya Sabha on 22.03.2012

LOK SABHA SECRETARIAT
NEW DELHI

March, 2012/*Chaitra,* 1934 *(Saka)*

C.R.D. No. 26

Price : Rs. 65.00

© 2012 By Lok Sabha Secretariat

Published under Rule 382 of the Rules of Procedure and Conduct of Business in Lok Sabha (Fourteenth Edition) and printed by Jainco Art India, New Delhi-110 005.

CONTENTS

PAGE

COMPOSITION OF THE COMMITTEE (2011-2012) ..... (iii)

INTRODUCTION ..... (v)

CHAPTER I Report 1

CHAPTER II Recommendations which have been accepted by the Government 11

CHAPTER III Recommendation which the Committee do not desire to pursue in view of the Government's replies 32

CHAPTER IV Recommendations in respect of which replies of the Government have not been accepted by the Committee 33

CHAPTER V Recommendations in respect of which final replies of the Government are still awaited 35

APPENDICES

I. Meeting of Gram Sabha after Transect Walk for preparation of Detailed Project Reports (DPRs) under PMGSY 40

II. Constitution of Working Group on PMGSY (Rural Roads) for formulation of Twelfth Five Year Plan (2012-17) 42

III. Detailed Note on Restructuring of Council for Advancement of People's Action and Rural Technology (CAPART) 47

IV. Extracts of Minutes of the Sitting of the Committee held on 22 February, 2012 57

V. Analysis of Action taken by the government on the recommendations contained in the Twentieth Report (15th Lok Sabha) of the Standing Committee on Rural Development 59

COMPOSITION OF THE STANDING COMMITTEE ON RURAL DEVELOPMENT (2011-2012)

Shrimati Sumitra Mahajan — *Chairperson*

MEMBERS

Lok Sabha

2. Shri Gajanan D. Babar
3. Shri Sandeep Dikshit
4. Shri Manikrao Hodlya Gavit
5. Shri Maheshwar Hazari
6. Shri Ramesh Vishwanath Katti
7. Shri P. Kumar
8. Shri Raghuvir Singh Meena
9. Dr. Ratna De (Nag)
10. Shri Rakesh Pandey
11. Shri A. Sai Prathap
12. Shri P.L. Punia
13. Shri A. Venkatarami Reddy
14. Shri Arjun Charan Sethi
15. Shri Bishnu Pada Ray***
16. Dr. Sanjay Singh
17. Smt. Supriya Sule
18. Shri Kodikunnil Suresh
19. Shri Narendra Singh Tomar
20. Shri A.K.S. Vijayan
21. Smt. Vijaya Shanthi M**

Rajya Sabha

22. Shri Mani Shankar Aiyar
23. Shri Ganga Charan

*** Nominated to the Committee *w.e.f.* 03.01.2012 *vice* Shri Navjot Singh Sidhu.
** Nominated to the Committee *w.e.f.* 25.11.2011.

24. Shri Hussain Dalwai
25. Sardar Sukhdev Singh Dhindsa
26. Dr. Ram Prakash
27. Shri P. Rajeeve*
28. Shri Mohan Singh
29. Smt. Maya Singh
30. Miss Anusuiya Uikey
31. Vacant****

SECRETARIAT

1. Shri Brahm Dutt — *Joint Secretary*
2. Shri Raju Srivastava — *Deputy Secretary*
3. Shri Sumesh Kumar — *Committee Officer*

* Nominated to the Committee *w.e.f.* 02.11.2011 *vice* Shri P.R. Rajan.
**** Dr. (Smt.) Kapila Vatsyayan retired on 15.02.2012.

INTRODUCTION

I, the Chairperson of the Standing Committee on Rural Development (2011-2012) having been authorised by the Committee to present the Report on their behalf, present the 24th Report on the action taken by the Government on the recommendations contained in the 20th Report of the Standing Committee on Rural Development (15th Lok Sabha) on Demands for Grants (2011-12) of the Ministry of Rural Development (Department of Rural Development).

2. The 20th Report was presented to Lok Sabha/laid in Rajya Sabha on 18 August, 2011. Replies of the Government to all the recommendations contained in the Report were received on 21 December, 2011.

3. The Report was considered and adopted by the Committee at their sitting held on 22 February, 2012.

4. An analysis of the action taken by the Government on the recommendations contained in the 20th Report of the Committee (Fifteenth Lok Sabha) is given in **Appendix-V**.

NEW DELHI;
21 *March*, 2012
1 *Chaitra*, 1934 *(Saka)*

SUMITRA MAHAJAN,
Chairperson,
Standing Committee on
Rural Development.

CHAPTER I

REPORT

This Report of the Standing Committee on Rural Development (2011-12) deals with the action taken by the Government on the Observations/Recommendations contained in their Twentieth Report (Fifteenth Lok Sabha) on Demands for Grants of the Ministry of Rural Development (Department of Rural Development) for the year 2011-2012.

2. The Twentieth Report was presented to Lok Sabha on 18 August, 2011 and was laid on the Table of Rajya Sabha on the same date. The Report contained 25 Observations/Recommendations.

3. Action Taken Notes in respect of all the Observations/ Recommendations contained in the Report have been received from the Government. These have been examined and categorised as follows:—

(i) Observations/Recommendations which have been accepted by the Government:

Serial Nos. 1, 3, 5, 7, 8, 9, 10, 11, 12, 13, 15, 17, 18, 19, 21, 23, 24 and 25

Total: 18
Chapter-II

(ii) Observations/Recommendations which the Committee do not desire to pursue in view of replies of the Government:

Serial No. 20

Total: 01
Chapter-III

(iii) Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee:

Serial Nos. 14 and 16

Total: 02
Chapter-IV

(iv) Observations/Recommendations in respect of which final replies of the Government are still awaited:

Serial Nos. 2, 4, 6, and 22

Total: 04
Chapter-V

4. The Committee desire that final reply in respect of Observations/Recommendations Serial Nos. 2, 4, 6, and 22 for which only interim replies have been submitted by the Government and Action Taken Notes on the Observations/Recommendations contained in Chapter-I of the Report may be furnished to the Committee within three months of the presentation of this Report.

5. The Committee will now deal with action taken by the Government on some of their Observations/Recommendations that require reiteration or merit comments.

A. PLANNING FOR 12TH FIVE YEAR PLAN

Recommendation (Serial No. 2, Para No. 2.2)

6. The Committee's examination had revealed that the most important area of rural development of the Indian economy had not received the desired level of attention for the allocation of funds from the Planning Commission during the Eleventh Plan Period (2007-2012). For instance, as against the proposal of about Rs. 4.07 lakh crore, the Ministry of Rural Development received only Rs. 2.96 lakh core *i.e.* about 75 per cent of the amount sought. The Committee recommended that before slashing the demands of rural development which touches on basic needs of the '*aam admi*' like shelter, drinking water, sanitation, employment, rural infrastructure including roads, etc. the Planning Commission should prioritize these basic needs and find ways and means of making available higher allocation in the Twelfth Plan (2012-2017) for which the planning process was on.

7. The Department in their action taken reply have stated as under:—

"**Indira Awaas Yojana (IAY)**

The observations of the Committee have been noted. The matter will be pursued with the Planning Commission for enhancement of allocation for IAY in the 12th Five Year Plan. The issue has also been placed before the Working Group on the Indira Awaas Yojana for the 12th Five Year plan constituted by the Planning Commission.

Swaranjyanti Gramin Sworazgar Yojana (SGSY)

The total funds allocated for SGSY in the 11th Plan is Rs. 17,803 crores. An amount of Rs. 9484 crore has been allocated for the 1st four years of the 11th plan *i.e.* 2007-08, 2008-09, 2009-10 and 2010-11. Therefore, an amount of Rs. 8319 crores is still available

for the last year of the Plan. In anticipation that the NRLM will be implemented from 1st April, 2011 and keeping in view the future plan of action and revised norms approved by the CCEA for NRLM, the projected requirement was Rs. 5000 crore for taking up various activities under NRLM for 2011-12. The Ministry would have proposed for all the remaining funds of 11th Plan period *i.e.* Rs. 8319 crore, but due to delayed approval of CCEA Note of NRLM and capacities of the States/UTs in implementation of NRLM, the Ministry proposed only Rs. 5000 crore for the year 2011-12.

Pradhan Mantri Gram Sadak Yojana (PMGSY)

Details of funds proposed, approved outlay, allocation and release during the 11th Plan period in respect of Pradhan Mantri Gram Sadak Yojana (PMGSY) are as under:—

(Rs. in crore)

11th Plan (2007-2012)				12th Plan (2012-2017)
Plan funds proposed by Department	Approved plan outlay	Total Allocation	Total release by Centre (Upto September, 2011)	Plan funds proposed by Department
81,801	59,751	86,120	75,894 Crore	The report of Working Group on Rural Roads for formulation of 12th Plan is under finalization."

8. The Committee had pointed out that during the Eleventh Plan Period (2007-12), as against the proposal of about Rs. 4.07 lakh crore, the Ministry of Rural Development received only Rs. 2.96 lakh crore. The Committee had emphasized that Planning Commission should find ways and means of making available higher allocation in the Twelfth Plan (2012-17). The Department have apprised the Committee that various measures have been taken for enhancement of allocation in the Twelfth Five Year Plan which include placing the matter relating to Indira Awaas Yojana (IAY) and Pradhan Mantri Gram Sadak Yojana (PMGSY) before the Working Group constituted by the Planning Commission, etc. However, the Committee have not been informed about the final contours of other flagship programmes

of the Department of Rural Development. The Committee would, therefore, await necessary details of the results of various measures/ steps taken by the Department of Rural Development especially when the Twelfth Five Year Plan will commence from April, 2012.

B. COVERAGE OF HABITATIONS WITH POPULATION OF 500-999 UNDER PMGSY

Recommendation (Serial No. 14, Para No. 2.14)

9. The Committee found that under PMGSY, soon after the commencement of Bharat Nirman in 2005, the emphasis was on coverage of habitations with population of 1000 and above; as a result work relating to coverage of habitations below that level *i.e.* 500 and above, had largely not been taken up. The Committee were informed that owing to paucity of funds, Government have prioritized coverage of habitations with a population of 1000 and more. In the Committee's opinion changing the priority from covering habitations with a population of 500 to habitations with a population of 1000 has adversely affected rural connectivity and, as such, defeated the original objective of PMGSY. The Committee, therefore, recommended that since the issue of rural connectivity is paramount, all-out efforts should be made to open up coverage of habitations with population of 500-1000 by ensuring the availability of funds for this purpose.

10. The Department in their action taken reply have stated as under:—

> "PMGSY Scheme envisages providing connectivity, by way of an all-weather Roads, to the eligible unconnected habitations with a population of 500 persons and above in rural areas of the country. In respect of Hill States (North-East, Sikkim, Himachal Pradesh, Jammu & Kashmir, Uttarakhand) and the Desert areas (as identified in the Desert Development Programme) as well as the tribal (Schedule-V) areas, the objective is to connect Habitations with a population of 250 persons and above.
>
> As Rural Road is one of the components of Bharat Nirman, therefore current focus is to achieve the target of Bharat Nirman under which unconnected habitations with a populations of 1000 persons and above in plain areas and 500 persons and above in the hill States and the Tribal areas are eligible for connectivity.
>
> The coverage of habitations with the population of 500-999 are also being covered under External Aided Projects (World Bank and

ADB) in many States. Besides, project proposals of eligible unconnected habitations with the population of 250 persons and above in 60 Integrated Action Plan (IAP) Districts (as identified by the Planning Commission) are also being considered under the programme."

11. In their reply, the Department has highlighted that their current focus is to achieve the target of Bharat Nirman under which unconnected habitations with a population of 1000 persons and above in plain areas and 500 persons and above in the hill States and the Tribal areas are eligible for connectivity. The coverage of habitations with a population of 500-999 is being covered under External Aided Projects (World Bank and ADB) in many States. The Committee find it difficult to understand that even after the launch of PMGSY in December, 2000 which aimed at providing road connectivity to all unconnected habitations with a population of 1000 persons and above (500 in case of hill States etc.) within 3 years (2000-03) and all unconnected habitations with a population of 500 and above (250 in case of hilly States etc.) by 2007, the desired results have not been achieved. The Committee note that a lot of emphasis is now being given to Bharat Nirman, which was a four year Business Plan for rural connectivity (2005-09), due to which the PMGSY scheme has lost its relevance. The Committee, therefore, once again reiterate that projects under PMGSY for covering habitations with a population of 500-999 in the rural areas of the country should not only be given priority over rural road component of Bharat Nirman but also taken up and completed in a time bound manner.

C. INVOLVEMENT OF PANCHAYATS FOR MONITORING PMGSY WORKS

Recommendation (Serial No. 16, Para No. 2.16)

12. The other issue concerning PMGSY that came up during the examination by the Committee was role of Panchayats in monitoring PMGSY works at the fourth tier. The Committee were astonished to find that monitoring of PMGSY works was undertaken at three level: District, State and National level. The Committee desired that for making PMGSY a people's programme the PRIs should also play the role of watch-dog especially in Tribal and Scheduled areas. In this connection, the Committee were of the view that the inclusion of Panchayats representatives in Joint Forest Management Committee (JFMCs) in different States may be involved for PMGSY.

13. The Department in their action taken reply have stated as under:—

"As per programme guidelines, there are three tier monitoring systems under the programme:—

(i) Programme Implementation Units (PIUs) at District level;

(ii) State Rural Roads Development Agency (SRRDA) at State level; and

(iii) National Rural Roads Development Agency (NRRDA) at National Level."

14. The Committee note that there are three-tier monitoring of PMGSY works. However, the Department have not specified the details of involvement of Panchayati Raj Institutions (PRIs) in monitoring of PMGSY works. Also the Committee have not been informed about the specific roadmap for effective inclusion of Panchayats representatives for monitoring of PMGSY works. The statement with regard to monitoring system under the programme is merely reiteration of programme guidelines. The Committee, therefore, reiterate their earlier recommendation to transform the PMGSY into a people's programme, wherein, PRIs should play the role of a watch-dog.

D. ENHANCEMENT OF PER UNIT ASSISTANCE UNDER IAY

Recommendation (Serial No. 19, Para No. 2.19)

15. Another area that attracted the Committee's attention was related to providing decent housing with minimum space to live in under IAY and enhancement of per unit assistance. The Department of Rural Development had expressed its helplessness on the issue as the Planning Commission was not in favour of any such enhancement. The Secretary, Rural Development also informed the Committee that there is essentially a need for funds from the Banking Sector in this area even if the Government enhances per unit assistance since allotting one to two IAY houses in one Gram Panchayat is not a long term solution. The Committee, therefore, recommended that a broad-based dialogue among all stakeholders, including the Banking/financial sector, be initiated to find solutions for achieving the objective of 'Housing for All by 2017'.

16. The Department in their action taken reply have stated as under:—

"A Committee to formulate concrete bankable schemes for rural housing under the Chairmanship of the Chairman & Managing Director, Central Bank of India was set up by the Ministry of

Rural Development. The Committee has submitted its report. The recommendations of the Committee have been referred to the State Governments/UTs for their comments. Some important recommendations of the Committee are:

Bankable scheme for BPL households:

(a) The unit assistance given under IAY for BPL households for construction of a household should be increased from Rs. 45,000 at present to Rs. 75,000.

(b) IAY beneficiaries may be given loan up to Rs. 50,000 at 4% interest under Differential Rate of Interest (DRI). The repayment period of the loan may be increased to 15 years.

Bankable scheme for Above Poverty Line (APL) households:

(a) Loan not exceeding Rs. 2 lakhs for construction of a new house and Rs. 1 lakh for addition/up-gradation/repair of old house with 5% interest subsidy

OR

Loan not exceeding Rs. 3 lakhs for construction of a new house and Rs. 1.5 lakh for addition/upgradation/repair of old house with 4% interest subsidy.

(b) Loan upto Rs. 4 Lakhs based on credit worthiness of the borrower at interest ranging from 7% to 10% without any subsidy.

The Working Group on Rural Housing for 12th Five Year Plan has accepted the recommendations of the above Committee and included these in their report which has been placed before the Planning Commission. The Working Group has also recommended to the Planning Commission enhancement of unit assistance under IAY from Rs. 45,000 to Rs. 75,000 in plain areas and from Rs. 48,500 to Rs. 80,000 in hilly and difficult areas".

17. The Committee find that recommendations of the Committee which was constituted to formulate concrete bankable schemes for rural housing have been referred to the State Governments/UTs for their comments. The Committee appreciate that the Working Group on Rural Housing for 12th Five Year Plan has accepted the recommendations of the said Committee which has now been placed before the Planning Commission. The Committee are happy to note that the Working Group has recommended the Planning Commission for enhancement of per unit assistance under IAY from Rs. 45,000 to

Rs. 75,000 in plain areas and from Rs. 48,500 to Rs. 80,000 in hilly and difficult areas. The Committee are of the view that the objective of decent housing under IAY would be possible only when there is realistic enhancement of per unit assistance alongwith a broad-based dialogue among all the stakeholders including the Banking/Financial sector. The Committee, therefore, recommend that concrete action on the Report of Working Group on Rural Housing for 12th Five Year Plan should be initiated by the Planning Commission. Needless to emphasise that necessary provisions would be made in the budget for the year 2012-13 to bear the impact of enhanced assistance. The Committee would also like to be apprised of the progress made in this regard.

E. REVAMPING OF DISTRICT RURAL DEVELOPMENT AGENCY (DRDA)

Recommendation (Serial No. 22, Para No. 2.22)

18. The Committee noted that the scheme of 'DRDA Administration', one of the main implementing agency of all rural development schemes at district level was in the process of being restructured with a view to shouldering the increased load of new schemes like MGNREGA and NRLM. The Committee had been informed that task of restructuring of DRDA has been assigned to a Committee headed by Shri V. Ramachandran which was to submit its Report by May, 2011. The Committee has also been informed by the Secretary, Rural Development that said Report may be finalized any time in July, 2011. The Committee, therefore, recommended that the said Report be submitted as expeditiously as possible so followed by necessary examination and follow-up actions to expedite the crucial reforms in DRDA Administration Scheme which not only envisages reform in district level and below. The Committee recommended that steps be taken to merge DRDAs with District Panchayats in States, where this process had not been completed.

19. The Department in their action taken reply have stated as under:—

> "In order to strengthen and professionalise the DRDA to meet the new challenges, a Committee has been constituted under the Chairmanship of Shri V. Ramachandran, former member, 2nd Administrative Reforms Commission. The Committee also includes representatives from Ministry of Rural Development, Ministry of Panchayati Raj, Secretary, Rural Development and Department of some States, academicians and development experts as members.

The Committee has already met on 19th January, 28th March, and 6th August, 2011. The Committee is likely to finalise its report by 31st October, 2011. Further follow-up action would be initiated after receipt of the report of the Committee."

20. The Committee are surprised to note that the Department have furnished incomplete and insufficient information regarding finalization of V. Ramachandran Committee Report on revamping or otherwise of the District Rural Development Agency (DRDA) in view of the fact that in the action taken reply of 21 December, 2011, a reference has been made to the effect that the said Committee is likely to finalize its Report by 31 October, 2011. The Committee had also recommended the Department to initiate action to merge DRDAs with District Panchayats in States where this process has not been completed. The Committee are dismayed to note that the Government's reply is silent about this specific recommendation. The Committee would like to re-emphasize the importance of bringing the DRDAs under the supervision of Panchayats for better implementation and impact so that DRDAs should not undermine the importance of Panchayats. The Committee, therefore, would like to be apprised about finalization and follow-up action on Ramachandran Committee Report as also Government response to specific recommendation of the Committee regarding merger of DRDAs with the District Panchayats.

F. RESTRUCTURING OF CAPART

Recommendation (Serial No. 23, Para No. 2.23)

21. While reviewing the role of CAPART the Committee were dismayed to note that CAPART's performance had been almost negligible which hitherto before used to play prominent role in involving NGOs in transfer of rural technology at the door step of rural poor in the Country. The Committee were informed that ills of CAPART had been due to variety of reasons like treating it as a post retirement sojourn by ruling elite instead of allowing it to grow its natural growth as per the objectives of CAPART. Meanwhile, the Committee were informed that in view of large number of complaints of irregularities penal action had been taken against some officers of CAPART. The Committee would await details of restructuring of CAPART, its new priorities and objectives so that the organisation remains an organisation focusing on rural development.

22. The Department in their Action Taken Reply have stated as under:—

"As desired by the Hon'ble Committee, the Details of restructuring of CAPART, its new priorities and objectives are outlined in **Appendix-III**."

23. The Committee in their Report, while showing their concern on the lack-luster performance of CAPART had decided to await the restructuring process of CAPART before giving their considered opinion. The Department in their action taken reply as well as during the evidence held on 27 January, 2012, while spelling out the details of restructuring of CAPART, have informed that restructuring of CAPART based on the Reports of sub-groups and IRMA has been approved by the Hon'ble Minister, Rural Development. The Department have also informed that a Search Committee to review the efficacy of the existing system for selection and appointment to the post of DG and DDG, CAPART has been constituted. The Committee are anguished to note that there is huge lapse since the announcement of the process of restructuring of CAPART started way back in 1996 and the entire exercise is still at the nascent stage of implementation. Considering the fact that there has been considerable delay in implementing the restructured format of CAPART, the Committee strongly recommend that modalities of restructuring of CAPART should be quantifiably implemented without further loss of time. The Committee would await further development on follow-up of restructuring process of CAPART.

CHAPTER II

RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Serial No. 1, Para No. 2.1)

The Committee take note that the Rule 331 G of the Rules of Procedure and conduct of Business in Lok Sabha relating to examination of Demand for Grants by the Departmentally Related Standing Committee (DRSCs) was suspended by the Hon'ble Speaker, Lok Sabha due to rescheduling of the Financial Business in Lok Sabha to pass the Demands for Grants for the year 2011-12 during the Seventh Session of Fifteenth Lok Sabha without being referred to the concerned DRSCs. However, the Committee have examined the Demands for Grants and made report thereon. Since the Budget for the year 2011-12 has already been passed by the Parliament, the Committee endorse the same. Nevertheless, the Committee feel that the suggestions and recommendations of the Committee would help the Department of Rural Development, Ministry of Rural Development in analyzing their performance and implementations of various Schemes/Projects during the current year, which happens to be the terminal year of the 11th Plan Period. The Observations/Recommendations of the Committee are given in the succeeding paragraphs.

Reply of the Government

Action Taken Report (ATR) on the recommendations of the Committee are given in the following paragraphs.

[O.M. No. H-11020/8/2011-GC (P) Dated: 19.12.2011, Department of Rural Development (Ministry of Rural Development)]

Recommendation (Serial No. 3, Para No. 2.3)

Coming to the expenditure side of whatever inadequate Plan funds are made available for rural development, the Committee are concerned to note that the performance of the Department falls short of expectations. Thus, against the available allocation of about Rs. 2,96,000 crore, the total anticipated expenditure during Eleventh Plan is only about Rs. 2,88,000 crore leaving about Rs. 8000 crore that may remain unutilized. Considering the requirements of the rural masses, the Committee strongly recommend that all our efforts should be made by the Ministry of Rural Development to ensure that allocated amount does not go unutilized during current Plan. For this, necessary

coordination and monitoring process may be strengthened in consultation with State Governments. In this connection, the Committee reiterate their conviction that the key to better financial management and reaching the envisaged benefits to the intended beneficiaries lies in the effective devolution of functions, finances and functionaries to the Panchayati Raj Institutions, the fostering of local level of planning by the District Planning Committee as envisaged in the 73rd and 74th amendments to the Constitutions.

Reply of the Government

Indira Awaas Yojana (IAY)

The outlay for Indira Awaas Yojana for the XI Five Year Plan (2007-12) is Rs. 26,882.21 crores. The funds allocated for the first four years of the Plan were Rs. 31,977.53 crores against which Rs. 31,823.03 crores has been released. Against the target of 112.15 lakh houses for the first four years, 102.27 lakh houses were constructed as on 31.3.2011.

During the current financial year, against the allocation of Rs. 10,000 crores, the expenditure incurred is Rs. 3,903.89 crores as on 31.7.2011.

The Ministry regularly monitors the implementation of the scheme through different mechanisms. PRI institutions are closely involved with the implementation of the scheme on the selection of beneficiaries is done by Gram Panchayat/Gram Sabha.

Swaranjayanti Gramin Swarozgar Yojana (SGSY)

The status of utilization of funds under SGSY the 11th Plan period is given in the Table below. SGSY has now been restructured and renamed as National Rural Livelihoods Mission (NRLM). NRLM will be a demand driven programme. The States will develop their own State plan for poverty reduction which will be an aggregation of district plans. Further, the community will also be supported through their capacity building, to develop micro plans for enhancement of their economic status.

Year	Budget Allocation	Budget Releases (in crore)	%age
2007-08	1697.70	1697.70	100
2008-09	2350	2337.89	99.48
2009-10	2350	2230	94.89
2010-11	2984	2665.18	89.32
2011-12	2914.00	1124.77 (as on date)	38.60

Pradhan Mantri Gram Sadak Yojana (PMGSY)

The total plan outlay for 11th Plan of PMGSY was Rs. 59,751 crore. The total expenditure during current plan upto September, 2011 is Rs. 75,894 crore which is more than the Plan outlay. There are already provisions for involvement of Panchayati Raj Institutions (PRIs) in preparation of Detailed Project Reports (DPRs) etc. Recently, the Ministry has also issued circular on 27th July, 2011 making mandatory that State government needs to ensure that Minutes of the Gram Sabha meeting are also enclosed alongwith other requisite documents while sending DPRs for road works under PMGSY *vide* **Appendix-I**.

[O.M. No. H-11020/8/2011-GC (P) Dated: 19.12.2011, Department of Rural Development (Ministry of Rural Development)]

Recommendation (Serial No. 5, Para Nos. 2.5)

Another important matter that has attracted the attention of the Committee is the state of preparedness for the Twelfth Plan (2012-17). The Committee are not satisfied about the level of preparedness of the Ministry as the Working Group for Twelfth Plan for Rural Development is yet to be constituted. With the continuance of priorities of Eleventh Plan like wage employment, rural housing, rural roads in the Twelfth Plan, the Committee feel that the constitution of a Working Group for Rural Development should be done expeditiously and it should start working immediately since the Twelfth Plan is just nine months away from now.

Reply of the Government

Indira Awaas Yojana (IAY)

A Working Group under the chairmanship of Secretary, Department of Rural Development has already been constituted to provide a perspective and approach to rural housing under the 12th Five Year Plan. Meetings of the Group have been held. The Group is expected to submit its report shortly.

Swaranjayanti Gramin Swarozgar Yojana (SGSY)

The Working Group on NRLM has already submitted its report to the Planning Commission.

Pradhan Mantri Gram Sadak Yojana (PMGSY)

The Working Group on Pradhan Mantri Gram Sadak Yojana (PMGSY) (Rural Roads) for formulation of Twelfth Five Year Plan (2012-2017) has already been constituted on 2nd June, 2011 *vide* **Appendix-II**.

Two high level meetings of the Working Group and Sub-groups meetings have already been held. The final report is under compilation.

[O.M. No. H-11020/8/2011-GC (P) Dated: 19.12.2011, Department of Rural Development (Ministry of Rural Development)]

Recommendation (Serial No. 7, Para No. 2.7)

The Committee find that after the emergence of MGNREGA as a major instrument of employment in rural areas, it constitutes a little more than half of the budget of the Department of Rural Development. The quantum of funds under MGNREGA is based on assessment of the labour budgets of different State Governments. As per the figures given by the Department of Rural Development, based on these labour budgets, and keeping in view the cost increase arising out of the revision of wage rates and the expected increase in outreach to households to attain during this year a national average of 60 days of employment (as against present average of 54 days employment), the estimated demand is of the order of roughly Rs. 65,000 crore for 2011-12. The Committee find merit in the contention of the Ministry. The Committee, therefore, are in agreement that the current allocation of Rs. 40,000 crore is too inadequate to address the issue of employment and recommend that it should be raised to Rs. 65,000 crore.

The Committee's examination has revealed that there is non-utilisation of funds under MGNREGA of the order of Rs. 14,000 crore. The Committee have been apprised that the Secretary (RD) has already taken up the matter with the State Governments to pull up their socks for meeting the target of their labour budgets. The Committee hope that different State Governments will heed to the directions of the Department of Rural Development for optimum utilization of unspent amount.

Reply of the Government

The Ministry in its Annual Plan for 2011-12 had projected a financial requirement of Rs. 64022 crore. This was on the presumption that during 2011-12, the outreach would be 5.85 crore households with an average of 60 days of employment per household. MGNREGA is a demand driven and legally guaranteed scheme. If additional requirement of fund is necessary during the year, the Central Government is committed to provide additional funds and it can be raised through supplementary Demand for Grants.

[O.M. No. H-11020/8/2011-GC (P) Dated: 19.12.2011, Department of Rural Development (Ministry of Rural Development)]

Recommendation (Serial No. 8, Para No. 2.8)

On the issue of the statutory right to employment or, in the alternative, the right to unemployment allowance embodied in MGNREGA, the Committee are constrained to express their concern that as against the provision of 100 days of guaranteed employment to all who seek it in rural areas, at the ground level implementation has left much to be desired. Neither have most households, especially in States rife with rural unemployment received anywhere near 100 days of employment, there is almost total non-performance in providing unemployment allowances under Section 7 of the Act to those who desire but are unable to secure employment. As per the latest figures submitted by the Department of Rural Development, only 5 crore job card holders got employment out of a total of 11.6 crore job card holders and that too at an average of 54 days of employment as against the stipulated mandatory 100 days of guaranteed employment. The Committee believe that the basic methods of assessment of demand are flawed, particularly when the highest percentage of eligible households to get 100 days of MGNREGA employment stands at 36 % in Tripura and precipitously drops to 6% to 8% in populous States with high rural unemployment like Uttar Pradesh, Bihar, Orissa and Chhattisgarh, and falls even lower in disturbed North Eastern States like Manipur. Equally the Committee are deeply disturbed that Government is yet to effectively implement Section 7 of the MGNREGA which stipulates the provision of unemployment allowance to beneficiaries if the work they seek is not given. The Committee have found that the highest number of beneficiaries under Section 7 is a mere 1544 in Jharkhand; down to exactly 1 person in Kerala; and nil in many States and Union Territories. The Committee, therefore, recommend that this provision of the Act should be implemented in letter and spirit and also suggest that a provision should be made in the MGNREGA Act to ensure that the liability for unemployment allowance should be on the Centre and for this MGNREGA be suitably amended. It calls for widespread dissemination of information regarding the provisions of Section 7 through Gram Sabhas and the provision of budgetary allocations specifically to meet the requirements of Section 7. The Committee seek an urgent report from the Department of Rural Development in this regard.

Moreover, in many parts of the country, there is less than adequate involvement of the Gram Panchayats in preparing the shelf of projects of monitoring implementation. Unless all elected members of the Panchayats, and the Gram Sabha, are fully involved in the planning and implementation of MGNREGA at the ground level, the letter and

spirit of the Act stand violated. The involvement of the sarpanch is no substitute for the involvement that will ensure effectual social audit which is the key requirement for cutting down corruption and promoting efficiency in implementing the Act.

Above all, it needs to be remembered the MGNREGA furnishes entitlements by legal and justifiable rights; it cannot be treated as yet another scheme. Financing is to be kept open ended and the requirements for employment sought out proactively.

Reply of the Government

Under MGNREGA, employment is provided on demand and unemployment allowance becomes payable in case an applicant is not provided employment within 15 days of receipt of his application seeking employment. As per Section 3 (1) of the MGNREG Act, it is for the concerned State Government to provide unskilled manual work up to one hundred days in a financial year in accordance with the Scheme notified by the States as per Section 4 of the Act. Under the Act, Central Government bears the entire expenditure on payment of wages at notified wage rates to unskilled manual workers. The cost of material component of projects, including the wages of the skilled and semi-skilled workers, taken up under the Scheme shall not exceed 40% of the total project costs. 75% of material cost, including wages of skilled and semiskilled workers, is also borne by the Central Government. The liability for payment of unemployment allowance is on the State Governments. This is to act as an incentive to the States to provide employment on demand proactively failing which the liability of unemployment allowance falls on them. It may therefore be counter productive for the Central Government to bear the burden of payment of unemployment allowance under the Act.

As per Section 16(1) of MGNREG Act, Gram Panchayats shall be responsible for identification of projects in the Gram Panchayat area to be taken up under the scheme as per the recommendations of the Gram Sabha and Ward Sabhas. In accordance with Section 16(5) of the Act, at least 50% of the projects by cost are to be executed by the Gram Panchayats. Section 13(1) of MGNREGA provides that the Panchayats at district, intermediate and village levels shall be the principal authorities for planning and implementation of the schemes made under the Act.

[O.M. No. H-11020/8/2011-GC (P) Dated: 19.12.2011, Department of Rural Development (Ministry of Rural Development)]

Recommendation (Serial No. 9, Para No. 2.9)

The Committee are unhappy to note that MGNREGA being the biggest programme of the Department of Rural Development is beset with fundamental problems with regard to its implementation, particularly the reported corruption in its implementation process, which is a disgrace to the fair name of Mahatma Gandhi, the Father of Nation, in whose name the Programme has been renamed. Effective social audit is the key to limiting malpractices as has been demonstrated already in Rajasthan and Andhra Pradesh. The Committee welcome the decision of the Department to universalize social audit of MGNREGA. They further recommend that statutory powers be given to them to monitor Panchayat level implementation to minimize malpractices.

In Committee's opinion the programme is beset with many infirmities like inadequate assessment of the true level of need for such employment in rural areas, given that two third to four fifth of our rural population fall in the category of "poor and vulnerable" identified by Arjun Sen Gupta Committee.

The Committee are also persuaded that convergence of MGNREGA with other rural development schemes will be most effective into the devolution of all the 29 subjects illustratively listed in Eleventh Schedule of the Constitution by different State Governments plus the concomitant transfer of functionaries and finances to the Panchayats. In this connection, the Committee welcome the Department's proposal that Panchayats appoint Junior Engineers and Panchayat Development Officers from the 6 per cent of their budget for administrative costs borne by the Ministry. The Committee, recommend that the Ministry of Rural Development take up all these issues with the Ministry of Panchayati Raj in a focused manner so that MGNREGA progresses in a truly Gandhian way.

Reply of the Government

To rectify faults and shortcomings in implementation and proactive disclosures by local bodies observed during performance audits, the Ministry has, in consultation with the Comptroller and Auditor General of India, already notified the Mahatma Gandhi National Rural Employment Guarantee Audit of Schemes Rules, 2011, which includes Social Audit by Gram Sabhas. The salient features of the said rules are:—

- Every Gram Panchayat to have atleast one social audit every six months.

- Social Audit Units to facilitate verification of records with primary stakeholders and work sites.
- Gram Sabha shall be convened to discuss the findings of the verification exercise and also to review the compliance on transparency and accountability, fulfilment of the rights and entitlements of labourers and proper utilisation of funds.
- The Gram Sabha shall provide a platform to all villagers to seek and obtain further information and responses from all involved in the implementation.
- Summary of findings of social audit to be submitted by the State Government to the Comptroller and Auditor General of India

The Ministry of Rural Development has been constantly following up the issue of appointment of staff at the Panchayats for implementation of MGNREGA with the Ministry of Panchayati Raj.

[O.M. No. H-11020/8/2011-GC (P) Dated: 19.12.2011, Department of Rural Development (Ministry of Rural Development)]

Recommendation (Serial No. 10, Para No. 2.10)

The Committee are constrained to note that financial performance of MGNREGA during the last two years *i.e.* 2009-2010 and 2010-2011 has not been satisfactory. While viewing the allocations *vis-a-vis* releases position during this period the Committee find that during 2009-2010 the shortfall in allocation and releases was to the tune of around Rs. 5,600 crore which by 2010-2011 was to the level of Rs. 5,232 crore. Similarly, a comparison of total availability of funds *vis-a-vis* expenditure incurred during these two years, the Committee find a dismal picture. The Committee have noticed that there has been a shortfall of over Rs. 10,000 crore between availability of funds and expenditure in each of the year. The unspent balance have been attributed to a variety of reasons like carry over of large unspent balances from previous financial year in different States/UTs, relative slump in work demand under MGNREGA due to seasonal factors like cropping seasons etc. The Committee are not happy over the above dismal financial performance under MGNREGA, particularly, when implementation of MGNREGA is joint responsibility of the Central as well as State Governments. The Committee find it equally disappointing and deplorable that, on the one hand the Ministry pleads helplessness on the account of paucity of funds under different Schemes including MGNREGA, while, on the

other, it is unable to put its own house in order by observing strict financial discipline. The Committee, therefore, recommend that the Ministry of Rural Development direct different defaulting States/UTs to move faster in utilization of funds so that scarce funds do not remain unutilized.

A close look at the month-wise details of releases and expenditure under MGNREGA during April 2010 to March 2011 by the Committee reveal that the pace of expenditure started form July, 2010 and it remained increasing upto September, 2010. From October, 2010 onwards, it started declining. Moreover, the Committee find that in different States the trend of expenditure differs. For instance, in hilly or snow-clad States like Jammu & Kashmir, where during the course of a study tour of the Committee to J&K, the Committee found the working season is very limited and as such the trend of expenditure may not be inconformity to the national pattern envisaged by the Department. In view of the foregoing, the Committee recommend that expenditure pattern in relation to releases of previous two years in different States/UTs under MGNREGA may by assessed to arrive at logical conclusions.

Reply of the Government

Chapter IV, Para 14, Sub-section (6) of MGNREG Act empowers the District Programme Coordinator to prepare an advance Labour Budget which becomes the basis of budget estimates under MGNREGA. Central funds are released after examining such Labour Budgets and taking into account utilization of funds previously released. As MGNREGA is demand based, funds to be released by the Centre under the scheme to the Districts/State in a financial year, is based on the labour demand at the field level projected by the concerned State Government. The Central Government is committed to provide funds to the States on demand and there has not been any paucity of funds for MGNREGA at the Central level.

[O.M. No. H-11020/8/2011-GC (P) Dated: 19.12.2011, Department of Rural Development (Ministry of Rural Development)]

Recommendation (Serial No. 11, Para No. 2.11)

The Committee are constrained to note that the physical performance of MGNREGA has been even more deplorable than its financial performance. Despite being five-year old programme, MGNREGA has not been able to consolidate its position in terms of completion of works as is evident from the fact that less than 50 percent of MGNREGA works have been completed since inception.

Reportedly there are large number of complaints on the issue of the quality of assets created terming most of them as sub-standard and non-durable. The level of corruption is so deep and well entrenched in the system that the matter has reached the Supreme Court. All these disquieting features about the implementation of MGNREGA call for greater monitoring and transparency in implementation of the programme. During the course of examination, the Department of Rural Development itself has conceded that there are number of implementation constraints/ills like non-availability of devoted staff, no system of regular monitoring, absence of documentation of prescribed forms and Reports, in operational MIS in many districts, delayed payment etc. About setting things in order to the Department of Rural Development has laboured to convince the Committee that various steps like holding of performance review at State level by eminent citizens, field visits and constitution of Working Groups on important areas like planning and execution, transparency and accountability, adoption of bio-metrics system at MGNREGA site etc. have been taken to stamp out any scope of complaints. In the Committee's view all these tall claims will remain on paper if a sense of integrity is absent and does not permeate the system run by Panchayati Raj Institutions (PRIs), Government officials and Banks/ Post Offices. The Committee, therefore, recommend that besides faster and implementation of MGNREGA on as per provisions of the Act, social audit, formal audit and monitoring by Gram Sabha is essential.

The Committee during its visit to Jammu and Kashmir have come across various valuable suggestions for incorporation in the MGNREG Act for hilly and remote States like Jammu and Kashmir. These include inclusion of the comparatively high cost of transportation of material used in MGNREGA works at higher reaches as compared to plains. The Committee feel that this issue should be examined by the Department of Rural Development so that some relief is given to affected people engaged in MGNREGA to tide over such kind of problems being faced in hilly and difficult States.

During the Committee's visit to Jammu, another important issue of counting of 100 days of guaranteed employment under MGNREGA came up for discussion. As per the existing norm, the requirement of 100 days of guaranteed employment under MGNREGA is being met in a household by distributing 100 days among the eligible adults who volunteered to work. In this connection, the issue of impact of household norms for the purpose of employment under MGNREGA on joint family system also came up for discussion before the Committee. The Committee apprehended that the existing household

under MGNREGA norm which means family may lead to break-up established joint family system in the country. The issue was taken up with the Department of Rural Development and the Committee have been informed that there are no reports that the provisions in MGNREGA have led to break-up of joint family system. The Committee, however, feel that the Department of Rural Development should examine the issue in consultation with State Governments and outcome arising thereof may be apprised to them.

Another important aspect regarding implementation of MGNREGA that came up before the Committee was the need for inclusion of thousands of traditional artisans, iron-smiths, leather workers etc. in the Country within the ambit of 'permissible works' given under Schedule I of MGNREGA with a view to saving their traditional skills who in the absence of a social security mechanism are being reduced to merely as stone cutting and other works. The Committee took up the issue with Department of Rural Development so that the ambit of permissible works can be widened to include above class of people. The Committee have been informed that issue has already been discussed by the Central Employment Guarantee Council on 23 June, 2011 who did not support any such widening of 'permissible works'.

The Committee feel that in the absence of any social security and their pitiable economic condition, the Committee do not subscribe to the stand taken by Central Employment Guarantee Council (CEGC) that their needs will be taken care of by NLRM which is yet to start with full swing. The Committee, therefore, feel that since MGNREGA is a countrywide programme that guarantees 100 days of employment in rural areas, this issue should again be thoroughly examined by CEGC. This can be done by way of first obtaining data about number of such people who genuinely require such inclusion under MGNREGA in different States so that the traditional artisans, iron-smiths etc. are helped on realistic basis. The Committee hope that action taken thereon may be apprised to the Committee.

Reply of the Government

The Ministry has, in consultation with the Comptroller & Auditor General of India, already notified the Mahatma Gandhi National Rural Employment Guarantee Audit of Schemes Rules, 2011, which includes Social Audit by Gram Sabhas at least once every six months to facilitate verification of records with primary stakeholders and work sites and to review the compliance on transparency and accountability, fulfillment of the rights and entitlements of labourers and proper utilisation of funds. Summary of findings of social audits are to be submitted by the State Governments to the Comptroller & Auditor General of India.

The issues regarding high material transportation cost in hilly and remote areas, impact of norms of households under MGNREGA on joint family system and widening ambit of focus of works under Schedule-I of MGNREGA, could be examined in consultation with the State Governments.

[O.M. No. H-11020/8/2011-GC (P) Dated: 19.12.2011, Department of Rural Development (Ministry of Rural Development)]

Recommendation (Serial No. 12, Para No. 2.12)

Another important and disturbing matter that has attracted the attention of the Committee is delayed payment of wages under MGNREGA. In this connection, the Committee find that the much talked about Business Model for making available payment in village is shuttling between the Department of Rural Development and Department of Financial Services and is to be discussed in the Consultative and Coordination Committee. In view of the gravity of the problem, the Committee recommend that both the involved Departments should work in a pro-active manner for reaching a solution for the timely delivery of payment to the eligible rural poor under MGNREGA.

Reply of the Government

With a view to ensuring timely payment, infusing transparency and enhancing the integrity of wage payment under MGNREGA, Schedule II of MGNREG Act was amended to make wage disbursement to workers through institutional accounts in Banks or Post Offices a statutory requirement. To strengthen the institutional outreach for wage disbursement, it has already been decided that State Governments should roll out the Business Correspondent (BC) Model, to make wage payment through Banks with bio-metric authentication at village level, on competitive bid basis from Banks by inviting Expression of Interest (EOI)/Request for Qualification (RFQ). All the State Governments have been advised to identify unserved areas where the BC model may be required and roll out the BC Model as per procedure detailed above.

[O.M. No. H-11020/8/2011-GC (P) Dated: 19.12.2011, Department of Rural Development (Ministry of Rural Development)]

Recommendation (Serial No. 13, Para No. 2.3)

The Committee have come across another important issue of genuineness of Social Audit of MGNREGA works. The Department of Rural Development has also conceded before the Committee that owing

to variety of reasons the Social Audit has not yielded desired results and taking cognizance of shortcomings in Social Audit in MGNREGA, Social Audit in Scheme Rules, 2011 have been framed wherein Social Audit through C&AG has been contemplated in a detailed manner. The Committee have also been informed that these Rules have been notified on 6 April, 2011 for comments thereon from public at large for finalization thereof in a month's time. The Committee would like to be apprised about conclusive action taken in the matter.

Reply of the Government

The Ministry has, in consultation with the Comptroller & Auditor General of India, already notified on 30th June, 2011 the Mahatma Gandhi National Rural Employment Guarantee Audit of Schemes Rules, 2011, which includes Social Audit by Gram Sabhas.

[O.M. No. H-11020/8/2011-GC (P) Dated: 19.12.2011, Department of Rural Development (Ministry of Rural Development)]

Recommendation (Serial No. 15, Para No. 2.15)

The Committee's examination has revealed that so important a scheme as PMGSY for rural connectivity has not been moving as it ought to have moved in terms of both fund constraints and deviation of approach. On the issue of fund constraints, the Committee find that during the Tenth and Eleventh Plan Periods, it has not been able to get the requisite support from the Planning Commission as funds proposed were reduced to one-third and one-half level respectively at the allocation stage. On the issue of deviation of approach, the Committee are dismayed to note that instead of pursuing the coverage of habitations of 500 and more the Government deviated from that and started coverage of habitation of 1000 and more. The Committee also note that the target of coverage of habitations has also gone down from the initial level of 1.36 lakh habitations in 2000 to 56,648 habitations at the time of Bharat Nirman in 2005, presumably owing to the execution of habitations of population of 500-999. The Committee's examination of the coverage of habitations during 2008-2009 and 2009-2010 has revealed that the performance of PMGSY is below target. The Committee, therefore, strongly recommend that a thorough review of PMGSY be undertaken for taking corrective remedial measures.

Reply of the Government

The performance of PMGSY is regularly reviewed by the Ministry through Performance Review Committee meetings at central level, Regional Review Committee meetings at Regional level.

The performance of PMGSY is also reviewed in the Empowered Committee Meetings and various periodical reports *viz.* monthly, quarterly progress reports.

States have been requested to take following necessary actions to accelerate the pace of implementation of the programme:—

(a) Strengthening of institutional capacity including deployment of adequate number of dedicated programme implementation units (PIUs);

(b) Use of standard Bidding Document;

(c) e-tendering;

(d) Joint meetings with officers of State's Forest Department to facilitate faster clearance under Forest (Conservation) Act;

(e) To monitor delay in award and completion.

[O.M. No. H-11020/8/2011-GC (P) Dated: 19.12.2011, Department of Rural Development (Ministry of Rural Development)]

Recommendation (Serial No. 17, Para No. 2.17)

The Committee find that there have been suggestions from various quarters to review the guidelines in existence for Pradhan Mantri Gram Sadak Yojana. The Committee recently visited Kuttanad region of Alappuzha District (Kerala) during their Study Tour. The Committee found that it is not feasible in such areas to fulfill the 8 meter width condition. Similarly, there is need to allow small bridges for connectivity to tablet habitations. The Committee, therefore, would like that for specific regions, particularly, hilly, difficult areas, areas surrounded by water like Kuttanad region, the Government should examine and allow on case to case basis relaxation for road width, inclusion of small bridges in the Scheme, relaxation in pavement of index survey and construction of cartable bridges/structure bridges to have the real connectivity in such areas.

Reply of the Government

Implementation of PMGSY is governed by the existing Programme Guidelines. However, the Ministry had received requests from the Kerala State, for relaxation in existing guidelines in respect of the standards, specifications and design of roads under PMGSY.

An Expert Committee was constituted by the Ministry to review the standards and specifications prescribed under PMGSY. On the basis of recommendation of the Expert Committee, the following relaxations

in specifications had been permitted to Kerala State on geometric parameters:—

- Width of carriage-way for link roads 3 metre upto traffic of 100 motorised vehicles per day and can be increased to 3.75 metres for traffic more than that.
- The roadway width (width at the top of the road) for link road can be 6 metres.

Since, PMGSY Programme envisages All-weather Connectivity to eligible unconnected habitations, construction of Bridges wherever required, is also permitted under PMGSY subject to condition that cost of bridges upto 50 meters (75 meters in IAP Districts) is borne by the Government of India and cost beyond these limits is borne by the state government.

[O.M. No. H-11020/8/2011-GC (P) Dated: 19.12.2011, Department of Rural Development (Ministry of Rural Development)]

Recommendation (Serial No. 18, Para No. 2.18)

The Committee's examination of IAY's performance has revealed that whereas its financial performance is 100 per cent during 2009-2010; its physical performance is not all that good and is much lower than the targeted level. The Committee are constrained to note that as per the latest available figures there is a housing shortage of 4.4 crore in the country and exact data will be available after the final figures of Census of 2011 are announced. The Committee have been informed that Government have declared a goal of 'Housing for All' by 2017 *i.e.* by the end of Twelfth Plan (2012-2017) and the Ministry has projected an outlay of Rs. 17,000 crore for it.

The Committee find that the pace of construction of house is not progressing as per the demand. The Committee recommend that instead of the target of construction of 60 lakh houses in five years it should be 60 lakh houses in one year to achieve the objective of 'Housing for All by 2017'. The Committee, therefore, stress that there is a need for revising targets and outlay for the Twelfth Plan and evolving methodologies for attaining these targets in close association with the Panchayats and the Gram Sabhas.

Reply of the Government

The Planning Commission had set up a Working Group on Rural Housing to make recommendations for the formulation of the 12th Five Year Plan. The Working Group has assessed the rural housing shortage during the 12th Plan period (2012-17) as approx. 40 million. Given the current trends of housing in rural India, it can be safely

assumed that about half of the current shortage of 40 million houses would require financing through IAY and interest subsidy assistance. The rest of the 20 million households would be able to construct their houses through state schemes, their own sources or informal sources of finance such as money lenders, borrowings from family and friends or family gifts. This translates into a target of at least 40 lakh houses every year during the 12th Plan period. Accordingly, the Working Group has proposed an allocation of Rs. 1,50,000 crores for the 12th Five Year Plan.

The report of the Working Group has been placed before the Planning Commission. The matter will be further discussed with the Planning Commission at the time of finalization of the 12th Five Year Plan.

[O.M. No. H-11020/8/2011-GC (P) Dated: 19.12.2011, Department of Rural Development (Ministry of Rural Development)]

Recommendation (Serial No. 19, Para No. 2.19)

Another area that has attracted the Committee's attention is related to providing decent housing with minimum space to live in under IAY and enhancement of per unit assistance. The Department of Rural Development has expressed its helplessness on the issue as the Planning Commission is not in favour of any such enhancement. The Secretary, Rural Development also informed the Committee that there is essentially a need for funds from the Banking Sector in this area even if the Government enhances per unit assistance since allotting one to two IAY houses in one Gram Panchayat is not a long term solution. The Committee, therefore, feel that a broad-based dialogue among all stakeholders, including the Banking/financial sector, be initiated to find solutions for achieving the objective of 'Housing for All by 2017'.

Reply of the Government

A Committee to formulate concrete bankable schemes for rural housing under the Chairmanship of the Chairman & Managing Director, Central Bank of India was set up by the Ministry of Rural Development. The Committee has submitted its report. The recommendations of the Committee have been referred to the State Governments/UTs for their comments. Some important recommendations of the Committee are:

Bankable scheme for BPL households:

(a) The unit assistance given under IAY for BPL households for construction of a household should be increased from Rs. 45000 at present to Rs. 75000.

(b) IAY beneficiaries may be given loan up to Rs. 50000 at 4% interest under Differential Rate of Interest (DRI). The repayment period of the loan may be increased to 15 years.

Bankable scheme for Above Poverty Line (APL) households:

(c) Loan not exceeding Rs. 2 lakhs for construction of a new house and Rs. 1 lakh for addition/up-gradation/repair of old house with 5% interest subsidy

OR

Loan not exceeding Rs. 3 lakhs for construction of a new house and Rs. 1.5 lakh for addition/upgradation/repair of old house with 4% interest subsidy.

(d) Loan upto Rs. 4 Lakhs based on credit worthiness of the borrower at interest ranging from 7% to 10% without any subsidy.

The Working Group on Rural Housing for 12th Five Year Plan has accepted the recommendations of the above Committee and included these in their report which has been placed before the Planning Commission. The Working Group has also recommended to the Planning Commission enhancement of unit assistance under IAY from Rs. 45000 to Rs. 75000 in plain areas and from Rs. 48,500 to Rs. 80000 in hilly and difficult areas.

[O.M. No. H-11020/8/2011-GC (P) Dated: 19.12.2011, Department of Rural Development (Ministry of Rural Development)]

Comments of the Committee

(Please *see* Paragraph No. 17 of Chapter I of the Report)

Recommendation (Serial No. 21, Para No. 2.21)

The Committee have been informed that the SGSY scheme has been restructured as the National Rural Livelihood Mission (NRLM) in 2010-2011 so as to reach out to 7 crore rural poor households and uplift them from abject poverty in a time bound manner. The Committee have been informed that State have been told to operate SGSY and NRLM programme side by side. The Secretary, Rural Development has in a detailed deposition before the Committee spelt out the delivery mechanism under the new programme along with the exit policy. In view of uncertainty about genuine BPL list and other factors, the Committee feel that there is a need for close coordination between Department of Rural Development and Department of Financial Services for preparing the necessary frame work for the new Programme of NRLM.

Reply of the Government

After the approval of National Rural Livelihoods Mission by Cabinet Committee on Economic Affairs (CCEA) the Ministry had discussions with many Central Government departments, State Governments, banks/financial institutions, NGO, Civil Society Organisation, and various other stake holders of the programme on the implementation strategies of NRLM. Many workshops and meeting were held with these stakeholders. After having the discussions and taking their views, the Ministry prepared the "Implementation Framework for National Rural Livelihoods Mission". This implementation framework clearly highlights the role and responsibility of other departments/organisation and also on the issues of convergence. Under NRLM banks and other financial institutions have to play a critical role in achieving the objectives of NRLM. For this the Ministry will always have close coordination with Department of Financial Services. The Framework for Implementation of NRLM is also a dynamic document, if required at any stage that there is need for any change in the implementation strategies of the programme the same will be carried out in the framework for better implementation of the programme.

[O.M. No. H-11020/8/2011-GC (P) Dated: 19.12.2011, Department of Rural Development (Ministry of Rural Development)]

Recommendation (Serial No. 23, Para No. 2.23)

While reviewing the role of CAPART the Committee are dismayed to note that CAPART's performance has been almost negligible which hitherto before used to play prominent role in involving NGOs in transfer of rural technology at the door step of rural poor in the country. The Committee have been informed that ills of CAPART have been due to variety of reasons like treating it as a post retirement sojourn by ruling elite instead of allowing it to grow its natural growth as per the objectives of CAPART. Meanwhile, the Committee have been informed that in view of large number of complaints of irregularities penal action has been taken against some officers of CAPART. The Committee would await details of restructuring of CAPART, its new priorities and objectives so that the organisation remains an organisation focusing on rural development.

Reply of the Government

As desired by the Hon'ble Committee, the Details of restructuring of CAPART, its new priorities and objectives are outlined in **Appendix-III**.

[O.M. No. H-11020/8/2011-GC (P) Dated: 19.12.2011, Department of Rural Development (Ministry of Rural Development)]

Comments of the Committee

(Please *see* Paragraph No. 23 of Chapter I of the Report)

Recommendation (Serial No. 24, Para No. 2.24)

The Committee are unhappy to note that innovative scheme like PURA has not yet started even after though it was started way back in 2004-2005 on pilot basis. The Committee find that what is more disappointing is that year after year since 2008-2009 large funds have been surrendered. For instance, Rs. 30 crore were surrendered in each year 2008-2009 and 2009-2010 and during 2010-2011 Rs. 50 crore were surrendered due to various reasons. The Committee, therefore, are not satisfied with the way this important scheme is being handled and recommend that more action oriented approach is called for and the Ministry would take conclusive action in the matter.

Reply of the Government

The Provision of Urban Amenities in Rural Areas scheme was initially implemented on a pilot basis for three years, from the year 2004-05 to 2006-07. In between this period and subsequently steps were taken to restructure the scheme. The budgetary provision for the year 2007-08, 2008-09 and 2009-10 has been Rs. 10.00 crore, Rs. 30.00 crore and Rs. 30.00 crore respectively. Funds were not released in these years as the scheme was being restructured. The restructured PURA scheme has been approved for implementation by Cabinet Committee on Economic Affairs (CCEA) on 21.01.2010. Budgetary provision of the scheme is Rs. 248 crore for the 11th Plan and allocation for the year 2010-11 is Rs. 124 crore.

The restructured PURA scheme proposes holistic and accelerated development of compact areas around a potential growth centre in a Gram Panchayat (or a group of Gram Panchayats) through Public Private Partnership (PPP) framework for providing livelihood opportunities and urban amenities to improve the quality of life in rural areas.

The rolling out of the restructured PURA scheme was started by formulation of Guidelines. Subsequently, a notice was issued inviting Expression of Interest (EoI) from private sector entities for selecting the private partners. 93 EoIs were received out of which 45 organizations qualified at the EoI Stage. Nine organizations had submitted 14 proposals out of which 11 proposals qualified. The concerned private entities were asked to submit a Detailed Project Report (DPR). In response, 5 organizations have submitted 8 DPRs. The experts had evaluated the DPRs and suggested many improvements. The qualified bidders have been requested to submit

the revised DPRs by 30th September 2011. The modified DPRs will be evaluated and placed before Inter-Ministerial Empowered Committee for approval. After such approval a Concession Agreement and State Support Agreement would be signed and executed by the middle of November 2011.

Out of the budgetary allocation for PURA scheme for 2010-11 (RE) of Rs. 74 crore, Rs. 07.80 crore was meant for North Eastern (NE) States. Since no projects were received from NE States, the funds meant for NE States were re-appropriated and used in some other schemes of the Ministry. The remaining amount of Rs. 66.20 crore has been placed with concerned District Rural Development Agencies (DRDAs) where the pilot PURA projects are to be implemented.

[O.M. No. H-11020/8/2011-GC (P) Dated: 19.12.2011, Department of Rural Development (Ministry of Rural Development)]

Recommendation (Serial No. 25, Para No. 2.25)

The Committee are dismayed to note that there is no updated BPL list in rural areas in the Country and whatever BPL data are available these pertain to the year 2002. During all these years, the Committee have been highlighting the need for updating the BPL list. However, on account of various reasons the matter has not progressed much. This year, the committees have been informed that by March, 2012, the required BPL List will be made available to the country. In this connection, the most vital aspect with regard to BPL was identification of genuine poor in the BPL list. Various suggestions like putting together all the BPL relating matter under one roof, observing a more realistic approach with regard to identification of poor in the form of taking into account the family income or income from assets of permanent nature, full involvement of Panchayats in the process etc. have come up before the Committee. Besides, the representative of the Department of Rural Development has also put forth before the Committee steps taken for bringing transparency in method of selection. The Committee hopes that the Department of Rural Development will be benefited by these suggestions for bringing out a BPL list largely acceptable to all.

Reply of the Government

The Socio-Economic and Caste Census (2011) has been commenced for collecting Socio-economic and caste data of households in the rural and urban areas of the country. Socio economic data collected from SECC 2011 will be utilized by respective States/UTs for identifying BPL households in rural as well as Urban areas.

The Socio-Economic and Caste Census 2011 (SECC-2011) would be conducted from 30th June, 2011 to 31st December, 2011 in a phased manner throughout the country depending upon availability of Hand Held Devices (HHDs) or Tablet PCs supplied by Bharat Electronic Limited (BEL) and preparedness of States/UTs.

[O.M. No. H-11020/8/2011-GC (P) Dated: 19.12.2011, Department of Rural Development (Ministry of Rural Development)]

CHAPTER III

RECOMMENDATION WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF GOVERNMENT'S REPLIES

Recommendation (Serial No. 20, Para No. 2.20)

The Committee's examination has also revealed that there is a need to link IAY with Total Sanitation Campaign (TSC) for construction of toilets by way of adding an amount of Rs. 3000 to Rs. 4000 under IAY so that IAY housing is provided with toilets. Similarly, the labour component under IAY be sourced from MGNREGA. The Committee accordingly recommend that these issues relating to convergence of schemes be examined by the Department of Rural Development in conjunction with all the Ministries/Departments concerned. The Committee would like to be apprised about the outcome in the matter.

Reply of the Government

The guidelines for Indira Awaas Yojana (IAY) already provide for convergence of construction of a house under IAY with the activities and funds provided under Total Sanitation Campaign (TSC) for providing a sanitary latrine in the house. These instructions have been reiterated in a joint letter issued by the Department of Rural Development and the Department of Drinking Water Supply. It has been made mandatory that if a beneficiary does not have a sanitary latrine, the authority sanctioning the house under IAY should simultaneously sanction a sanitary latrine under TSC.

As regards sourcing the labour component under IAY from MGNREGA is concerned, the objective of MGNREGA is to enhance livelihood security of rural poor. For this reason, the list of permissible activities include works that would improve land productivity. Almost 70% of works being undertaken under MGNREGA falls in this category. Remaining are largely works that fall in the broad category of 'Rural Connectivity'. For these reasons, construction of rural houses under IAY cannot be considered under MGNREGA. Given the shortfall in rural housing (40 million), if IAY houses were to be allowed under MGNREGA, the focus on creation of assets that enhance livelihood security would be lost.

[O.M. No. H-11020/8/2011-GC (P) Dated: 19.12.2011, Department of Rural Development (Ministry of Rural Development)]

CHAPTER IV

RECOMMENDATIONS IN RESPECT OF WHICH REPLES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

Recommendation (Serial No. 14, Para No. 2.14)

The Committee note that under PMGSY, soon after the commencement of Bharat Nirman in 2005, the emphasis was on coverage of habitations with population of 1000 and above; as a result work relating to coverage of habitations below that level *i.e.* 500 and above, has largely not been taken up. The Committee have been informed that owing to paucity of funds, Government have prioritized coverage of habitations with a population of 1000 and more. In the Committee's opinion changing the priority from covering habitations with a population of 500 to habitations with a population of 1000 has adversely affected rural connectivity and, as such, defeated the original objective of PMGSY. The Committee, therefore, recommend that since the issue of rural connectivity is paramount, view, all-out efforts should be made to open up coverage of habitations with population of 500-1000 by ensuring the availability of funds for this purpose.

Reply of the Government

PMGSY Scheme envisages providing connectivity, by way of an All-weather Roads, to the eligible unconnected habitations with a population of 500 persons and above in rural areas of the country. In respect of Hill States (North-East, Sikkim, Himachal Pradesh, Jammu & Kashmir, Uttarakhand) and the Desert areas (as identified in the Desert Development Programme) as well as the tribal (Schedule-V) areas, the objective is to connect Habitations with a population of 250 persons and above.

As Rural Road is one of the components of Bharat Nirman, therefore current focus is to achieve the target of Bharat Nirman under which unconnected habitations with a populations of 1000 persons and above in plain areas and 500 persons and above in the hill states and the Tribal areas are eligible for connectivity.

The coverage of habitations with the population of 500-999 are also being covered under External Aided Projects (World Bank and ADB) in many states. Besides, project proposals of eligible unconnected

habitations with the population of 250 persons and above in 60 Integrated Action Plan (IAP) Districts (as identified by the Planning Commission) are also being considered under the programme.

[O.M. No. H-11020/8/2011-GC (P), Dated: 19.12.2011, Department of Rural Development (Ministry of Rural Development)]

Comments of the Committee

(Please *see* Paragraph No.11 of Chapter I of the Report)

Recommendation (Serial No. 16, Para No. 2.16)

The other issue concerning PMGSY that came up during the examination by the Committee was role of Panchayats in monitoring PMGSY works at the fourth tier. The Committee are aware that monitoring of PMGSY works is at present undertaken at three level: District, State and National level. The Committee urge that for making PMGSY a people's programme the PRIs should also play the role of watch-dog especially in Tribal and Scheduled areas. In this connection, the Committee are of the view that the inclusion of Panchayats representatives in Joint Forest Management Committee (JFMCs) in different States may be involved for PMGSY.

Reply of the Government

As per programme guidelines, there are three tier monitoring systems under the programme:—

(i) Programme Implementation Units (PIUs) at District level;

(ii) State Rural Roads Development Agency (SRRDA) at State level; and

(iii) National Rural Roads Development Agency (NRRDA) at National Level.

[O.M. No. H-11020/8/2011-GC (P), Dated: 19.12.2011, Department of Rural Development (Ministry of Rural Development)]

Comments of the Committee

(Please *see* Paragraph No. 14 of Chapter I of the Report)

CHAPTER V

RECOMMENDATIONS IN RESPECT OF WHICH FINAL REPLIES OF THE GOVERNMENT ARE STILL AWAITED

Recommendation (Serial No. 2, Para No. 2.2)

The Planning Commission must recognize that accelerated growth has not led to inclusive growth; that the overwhelming majority of our population is nowhere near and many have even fallen off, the high trajectory of GDP growth that widening disparities are a danger to both the Democracy and Development; it is in the area of rural development inclusive growth is most required; and that for inclusive growth, participative development through Panchayati Raj Institutions as mandated by Part IX of the Constitution, read with Article 243 ZD and the Eleventh Schedule is indispensable. In view of these considerations, the Committee's examination has revealed that the most important area of rural development of the Indian economy has not received the desired level of attention for the allocation of funds from the Planning Commission during the Eleventh Plan Period (2007-2012). For instance, as against the proposal of about 4.07 lakh crore, the Ministry of Rural Development received only Rs. 2.96 lakh crore *i.e.* about 75 per cent of the amount sought. The Committee stress that before slashing the demands of rural development which touches on basic needs of the 'aam admi' like shelter, drinking water, sanitation, employment, rural infrastructure including roads etc. the Planning Commission should prioritize these basic needs and find ways and means of making available higher allocation in the Twelfth Plan (2012-2017) for which the planning process is on.

Reply of the Government

Indira Awaas Yojana (IAY)

The observations of the Committee have been noted. The matter will be pursued with the Planning Commission for enhancement of allocation for IAY in the 12th Five Year Plan. The issue has also been placed before the Working Group on the Indira Awaas Yojana for the 12th Five Year Plan constituted by the Planning Commission.

Swaranjayanti Gramin Swarozgar Yojana (SGSY)

The total funds allocated for SGSY in the 11th Plan is Rs. 17,803 crores. An amount of Rs. 9484 crore has been allocated for the 1st four years of the 11th plan *i.e.* 2007-08, 2008-09, 2009-10 and 2010-11 as per tabular statement given below. Therefore, an amount of Rs. 8319 crores

is still available for the last year of the Plan. In anticipation that the NRLM will be implemented from 1st April, 2011 and keeping in view the future plan of action and revised norms approved by the CCEA for NRLM, the projected requirement was Rs. 5000 crore for taking up various activities under NRLM for 2011-12. The Ministry would have proposed for all the remaining funds of 11th Plan period *i.e.* Rs. 8319 crore, but due to delayed approval of CCEA Note of NRLM and capacities of the States/UT in implementation of NRLM, the Ministry proposed only Rs. 5000 crore for the year 2011-12. The allocation for the financial year was Rs. 2914 crore.

Year	Budget Allocation (Rs. in crore)
2007-08	1800
2008-09	2350
2009-10	2350
2010-11	2984
Total	9484

Pradhan Mantri Gram Sadak Yojana (PMGSY)

Details of funds proposed, approved outlay, allocation and release during the 11th Plan period in respect of Pradhan Mantri Gram Sadak Yojana (PMGSY) are as under:—

(Rs. in crore)

11th Plan (2007-2012)				12th Plan (2012-2017)
Plan funds proposed by Department	Approved plan outlay	Total Allocation	Total release by Centre (Upto September, 2011)	Plan funds proposed by Department
81,801	59,751	86,120	75,894 crore	The report of Working Group on Rural Roads for formulation of 12th Plan is under finalization.

[O.M. No. H-11020/8/2011-GC (P), Dated: 19.12.2011, Department of Rural Development (Ministry of Rural Development)]

Comments of the Committee

(Please *see* Paragraph No. 8 of Chapter I of the Report)

Recommendation (Serial No. 4, Para No. 2.4)

Regarding enhancement of allocation for rural development right from commencement of the current Plan till 2011-12, the terminal year of the Plan, the Ministry have apprised the Committee that the flow of funds has progressively increased from Rs. 33,000 crore in 2007-2008 to Rs. 74,100 crore in 2011-12. The Committee, however, feel that requirements of the people and capacity of the State Governments have increased manifold. Also taking into consideration of high inflationary trend of about 8 to 10 per cent, the real value of the enhanced funds has not increased much. Accordingly, the Committee would like the Ministry to seek higher allocations from the Planning Commission rather than being content with the perceived increase in nominal allocations.

Reply of the Government

Indira Awaas Yojana (IAY)

As indicated in reply to para 2.2, the issue of enhancement of allocation for the Indira Awass Yojana for the 12th Five Year Plan has been placed before the Working Group on the Indira Awaas Yojana for the 12th Five Year Plan constituted by the Planning Commission. It will be pursued vigorously with the Planning Commission.

Swaranjayanti Gramin Swarozgar Yojana (SGSY)

Once all the States are completely NRLM compliant, the requirement of funds is expected to increase manifold and accordingly this Ministry propose to seek for more funds during the 12th Plan Period.

Pradhan Mantri Gram Sadak Yojana (PMGSY)

The Report of the Working Group for Rural Roads for formulation of 12th Plan is under finalization.

[O.M. No. H-11020/8/2011-GC (P), Dated: 19.12.2011, Department of Rural Development (Ministry of Rural Development)]

Recommendation (Serial No. 6, Para No. 2.6)

While examining the funds proposed *vis-a-vis* funds allocated for rural development for the Annual Plan 2011-12, the Committee regret that the trend of Eleventh Plan allocations being lower than the demand

raised by the Department has been repeated this year also. Thus, as against the Department's proposal of Rs. 1,19,000 crore, the actual allocation has been as low as Rs. 74,100 crore. After perusal of the scheme-wise reasons for required amount of Rs. 1,19,000 crore, the Committee find that the major portion was for crucial areas like employment, road and shelter under the schemes of MGNREGA, PMGSY and IAY. The Committee are entirely persuaded of the reasons and justification for the amount proposed under these schemes. They apprehend that significant reductions in these important schemes will adversely impact rural development and social equity across the country. They, therefore, also concur with the view of the Ministry of Rural Development that any reduction in allocation for important schemes like MGNREGA, PMGSY and IAY will retard the momentum of progress; in these vital areas of employment, rural connectivity and shelter, and therefore, inimical to the imperative of inclusive growth and social justice. They, therefore, strongly recommend that the issue of additional funds for these schemes in the Twelfth Plan be vigorously pursued with the Planning Commission, highlighting the integral relationship between inclusive growth and participate rural development, especially in view of India's position on the UN Human Development Index over the last two decades of accelerated GDP growth.

Reply of the Government

Indira Awaas Yojana (IAY)

The issue of inadequacy of funds allocated for implementation of IAY has been placed before the Working Group on IAY for the 12th Five Year Plan. It will also be pursued vigorously with the Planning Commission.

Swaranjayanti Gramin Swarozgar Yojana (SGSY)

No comments

Pradhan Mantri Gram Sadak Yojana (PMGSY)

As already mentioned in reply to para 2.4, the Report of the Working Group for Rural Roads for formulation of 12th Plan is under finalization.

[O.M. No. H-11020/8/2011-GC (P), Dated: 19.12.2011, Department of Rural Development (Ministry of Rural Development)]

Recommendation (Serial No. 22, Para No. 2.22)

The Committee find that the scheme of 'DRDA Administration', one of the main implementing agency of all rural development schemes at district level is in the process of being restructured with a view to shouldering the increased load of new schemes like MGNREGA and NRLM. The Committee have been informed that task of restructuring of DRDA has been assigned to a Committee headed by Shri V. Ramachandran which was to submit its Report by May, 2011. The Committee have been informed by the Secretary, Rural Development that said Report may be finalized any time in July, 2011. The Committee, therefore, recommend that the said Report be submitted as expeditiously as possible so followed by necessary examination and follow-up actions to expedite the crucial reforms in DRDA Administration Scheme which not only envisages reform in district level and below. The Committee recommend that steps be taken to merge DRDAs with District Panchayats in States, where this process has not been completed.

Reply of the Government

In order to strengthen and professionalise the DRDA to meet the new challenges, a Committee has been constituted under the Chairmanship of Shri V. Ramachandran, former member, 2nd Administrative Reforms Commission. The Committee also includes representatives from Ministry of Rural Development, Ministry of Panchayati Raj, Secretary, Rural Development, Department of some States, academicians and development experts as members.

The Committee has already met on 19th January, 28th March, and 6th August, 2011. The Committee is likely to finalise its report by 31st October, 2011. Further follow-up action would be initiated after receipt of the report of the Committee.

[O.M. No. H-11020/8/2011-GC (P), ` Dated: 19.12.2011, Department of Rural Development (Ministry of Rural Development)]

Comments of the Committee

(Please *see* Paragraph No. 20 of Chapter I of the Report)

NEW DELHI;
21 *March,* 2012
1 *Chaitra,* 1934 *(Saka)*

SUMITRA MAHAJAN,
Chairperson,
Standing Committee on
Rural Development.

APPENDIX I

No. P-17017/1/2010-RC
Government of India
Ministry of Rural Development
Department of Rural Development

Krishi Bhavan, New Delhi,
Dated: 27th July, 2011

Subject: Meeting of Gram Sabha after Transect Walk of preparation of Detailed Project Report (DPRs) under PMGSY.

Community participation is key to empowerment of a community and evolving its belongingness to process of development. Participating communities have many centers of activity and community action engages the natural enthuisition and harnesses talents of citizens leading to higher rates of resource acquisition and better reults. Overall rural development can be accelerated by involvement of people at grass root level. Rural roads are also crucial to attract other infrastructure facilities in the rural areas. Community participation right from planning stage is vital for any infrastructure project of this nature spread over the length of rural heartland. It helps in making the plan realistic and easily implementable. Pradhan Mantri Gram Sadak Yojana (PMGSY) envisages to involve local community, Panchayati Raj Institutions (PRIs) and Hon'ble Members of Parliament for effective planning of rural roads.

2. In this regard, recently a circular No. 3/2011 was issued on 28th April, 2011 regarding Necessity of a Transect Walk and consultation with Hon'ble Members of Parliament for planning of rural roads under PMGSY.

3. In order to formally invovle the institution of Gram Sabha, it is equally important that the transect walk should be so planned that it culminates into the scheduled meeting of Gram Sabha to consider proposed alignment, land availability and to moderate any adverse social & environmental impact, eliciting necessary community participation in the programme.

4. With a view to involve the community, the State Government needs to ensure that Minutes of the Gram Sabha meeting are also

enclosed along with other requisite documents as indicated in Circular No. 3/2011 including at least ten digital photographs taken during Transect Walk while sending Detailed Project Reports (DPRs). The Minutes of the Gram Sabha Meeting covering the aspect of transect walk can be treated as a Minutes of the Transect Walk as mentioned in earlier Circular No. 3/2011.

5. Therefore, no new proposals would be considered unles the following are appended, besides fulfilling other requirements:-

(i) The digital photographs of the Transect Walk

(ii) Minutes of the Gram Sabha meeting held on culmination of Transect Walk and having recommendations of Gram Sabha about the proposed DPR.

(iii) Proof of consultations with the concerned Hon'ble Member of Parliament and duly filled in forms MP-1 and MP-2.

Sd/-

(S.R. Meena)
Director (RC)

To

All State Principal Secretaries/Secretaries dealing with PMGSY.

Copy to:

(i) PS to Secretary (RD)/PS to JS (RC)

(ii) Directors of RC Division and NRRDA Dir. (F&A)

(iii) Technical Director (NIC)

(iv) Guard

APPENDIX II

No. 17/13/2011-Tpt.
Government of India
Planning Commission
(Transport Division)

Yojana Bhavan, Sansad Marg
New Delhi, dated 2nd June, 2011

Subject: Constitution of Working Group on Pradhan Mantri Gram Sadak Yojana (PMGSY) (Rural Roads) for formulation of Twelfth Five Year Plan (2012-17).

With a view to formulating the Twelfth Five Year Plan for PMGSY (Rural Roads), it has been decided to constitute a Working Group on Rural Roads. The composition of the Working Group will be as follows:

I. Composition

Secretary, Ministry of Rural Development — Chairman

Members

(1) AS/FA, Ministry of Rural Development

(2) Sr. Consultant (Tpt.), Planning Commission — Shri B.N. Puri

(3) Adviser (Tpt.), Planning Commission — Dr. Manoj Singh

(4) Director, Central Road Research Institute (CRRI), New Delhi.

(5) Representative from National Rural Roads Development Agency (NRRDA), New Delhi.—Dr. K.M.L. Rao, Dir. (Technical).

(6) Representative from Department of Expenditure, Ministry of Finance

(7) Representative from Ministry of Road Transport & Highways (MORTH)

(8) Representative from NABARD

(9) Representative from DONER

(10) Principal Secretary, PWD, Government of Gujarat

(11) Engineer in Chief, PWD, Government of Haryana

(12) Engineer in Chief, PWD, Government of West Bengal

(13) Engineer in Chief, PWD, Government of Mizoram

(14) Engineer in Chief, PWD, Government of Karnataka

(15) Engineer in Chief, PWD, Government of Rajasthan

(16) Engineer in Chief, PWD, Government of Maharashtra

(17) Engineer in Chief, PWD, Government of Jammu & Kashmir

(18) Engineer in Chief, PWD, Government of Bihar

(19) Engineer in Chief, PWD, Government of Arunachal Pradesh

(20) Engineer in Chief, PWD, Government of Tamil Nadu

(21) Jt. Secretary (commerce), Min. of Commerce

(22) Professor, IIT, Delhi

(23) Professor, IIT, Roorkee

(24) Professor, NIT, Jorhat, Assam

(25) Representative, State Technical Agency (STA)

(26) Representative, Science & Technology Mission

(27) Director (Road Connectivity), Deptt. of Rural Development, Min. of Rural Development

(28) Any other Co-opt officials and non officials as decided by the Chairman

(29) Jt. Secretary,(Road Connectivity), Deptt of Rural Development, Ministry of Rural Development — Convenor

II. Terms of reference

1. To critically review the financial and the physical progress of the development of the rural road network during the first four years of 11th Five Year Plan, highlighting the constraints faced and the remedial actions required to be taken in the context of the preparation of the 12th Five Year Plan.

2. Keeping in view the experience acquired from PMGSY and launch of Bharat Nirman, recommend a policy framework for the development of rural roads in the 12th Five year Plan and a perspective for the next decade beyond 12th Plan—Vision 2021—taking cognizance of various issues, including *inter-alia* the following:

   (i) need for providing connectivity with a view to improving accessibility;

   (ii) need for enhancing the capacities of various implementing agencies in order to achieve time targets;

(iii) prioritization of development work in view of a large number of deficiencies in the existing rural roads network with a view to consolidating the network;

(iv) need for maintenance and preservation of existing assets;

(v) need for creating an environment conducive to public private partnerships, in view of the increasing role of private sector;

(vi) need for upgradation of technology in order to improve quality of construction of rural roads and reduce construction time;

(vii) energy conservation and environment protection.

3. To formulate a programme for development of rural roads for the 12th Five Year Plan indicating monitorable physical targets, financial outlays and their year-wise phasing during this Plan period. While formulating the Plan, various aspects should be examined including *inter-alia* the requirement to provide essential road links to rural areas in the country in a cost effective manner, existing deficiencies of road system and remedial measures and the need for integrating backward and remote areas particularly the north-east and tribal areas with the rest of the country.

4. To review the existing arrangements, including the availability of resources from Central Road Fund, for funding the development of rural roads and suggest innovative measures for augmentation of resources both for construction and maintenance of rural roads.

5. To review the existing norms and criteria for maintenance and repairs for rural roads, assess progress of funds spent during first four years of 11th Plan and assess actual requirement of funds for the Twelfth Plan and recommend measures to meet such requirements.

6. To review the type of machinery and material presently being used in rural road construction and maintenance and suggest improvements, including steps needed for growth of road equipment industry in the country in order to deliver quality output in a time bound manner.

7. To review the existing manpower training arrangements at the Central and State level and suggest improvements, keeping in view the need for construction of quality rural roads in a time bound manner.

8. To review the status of various implementing agencies involved in the development and maintenance of rural roads in terms of their capability to deliver timely outputs and to recommend measures, including outsourcing and institutional for enhancing capacities of the States.

9. To suggest measures for effectively monitoring the progress of construction and maintenance of rural roads. Also to evolve a mechanism to ensure that funds allocated for maintenance of roads in the 12th Finance Commission are optimally utilised.

10. To review the status of domestic construction industry in terms of its capability to absorb, utilize and augment the technology being presently used timely for rural road construction.

11. Integrated Planning of Roads having different functionality and Inter-model coordination.

12. Study on the connectivity status of the roads constructed under different schemes with reference to All Weather and its structural entity.

13. Developing integrated system of GIS survey.

14. Planting of fruit bearing trees along rural roads and suggesting working model for Vriksha Rojgar Yojana.

15. To examine any other matter considered important by the Working Group.

III. The Chairman of the Working Group may co-opt officials or non-officials as Members and constitute sub-groups, if considered necessary.

IV. The expenditure towards TA/DA in connection with the meetings of the Working Group in respect of the official members will be borne by their respective Ministries/Departments. In case of non-official members of the Working Group, expenditure towards their TA/DA would be met by the Planning Commission as admissible to the Class-I officers of the Government of India.

V. The name(s) of the representatives of various organizations, as per the above composition may be communicated to the Convenor/Member Secretary of the Working Group under intimation to Dr. Manoj Singh, Adviser (Tpt.), Planning Commission.

VI. Shri Sugan Singh, Director (Tpt.), Planning Commission, Room No. 359, Yojana Bhawan, New Delhi-110001 (Tel. No. 23096737), shall be the Nodal Officer for this Working Group. VII. The Working Group will submit its report to the Planning Commission latest by 31st August, 2011.

Sd/-

(Sugan Singh)
Director (Transport)
Telefax: 23096737

Copy to:

1. Chairman, all Members, Member-Secretary and Convenor of the Working Group.
2. PS to Deputy Chairman, Planning Commission.
3. PS to Minister of State (Planning).
4. PS to all Members, Planning Commission.
5. PS to Member-Secretary, Planning Commission.
6. All Principal Advisers/Sr. Advisers/Advisers/HODs, Planning Commission.
7. Director (PCMD), Planning Commission.
8. Administration (General-I) and (General-II), Planning Commission.
9. Account-I Branch, Planning Commission.
10. Information Officer, Planning Commission.
11. Library, Planning Commission.

Sd/-

(Sugan Singh)
Director (Transport)
Telefax: 23096737

APPENDIX III

A DETAILED NOTE ON RESTRUCTURING OF COUNCIL FOR ADVANCEMENT OF PEOPLE'S ACTION AND RURAL TECHNOLOGY (CAPART)

Introduction

CAPART is a registered society functioning under ageis of Ministry of Rural Development. CAPART was created (in 1986) by merger of two organisations namely People's Action in Development India (PADI) and Council for Advancement of Rural Technology (CART). The council has its Headquarters in New Delhi and has nine Regional Offices (Ahmedabad, Bhubaneshwar, Chandigarh, Dharwad, Ghuwahati, Hyderabad, Jaipur, Lucknow, and Patna) spread all over the country.

Members of the Society

2. The Society permits the membership of 100, out of which 40 are from voluntary societies, 25 from other institutions, 25 *ex-officio* members and 10 per cent individuals. The General Body (GB) is the highest Governing body of CAPART comprising all its members presided over by the Minister, Rural Development which gives overall policy guidance, approves the Annual Budget, Balance Sheet, the audited accounts and the Annual Reports, amends the Rules of the Society and the by-laws. The Executive Committee (EC) is chaired by the Hon'ble Minister (Rural Development) and is in-charge of the day-to-day functioning. It is the duty of the Chairperson to ensure that the Society runs efficiently. The Secretary of the Department is the ex-officio Vice-Chairman of the EC. The Director General(DG) is appointed by the EC and is responsible for proper administration of the Society and its funds, supervision and control over its activities and coordination amongst others. There is also Standing Committee on Finance & Administration headed by the Director General which scrutinizes accounts and budget estimates of the Society, considers proposals for new expenditure and scrutinizes re-appropriation statements amongst others.

Vision of the Society

3. As per the Memorandum of Association (MoA) of CAPART, the Vision is to "play a dynamic and catalytic role with the various

Government agencies and Non Governmental Organizations (NGOs), influence public policy and contributes its share towards many sided development of rural India".

Mission

4. The Mission of CAPART mandated it to work in close cooperation with the rural NGOs and to empower them by engaging them in dialogue, respecting their thoughts and ideas, listening to their voice, harnessing their resources, funding their activities, strengthening their hands, particularly, the weaker sections of rural society and the disabled and the other privileged sections of the rural society and walking hand-in-hand with them on the road to rural prosperity.

Objectives

5. The objectives of the Society includes encouragement, promotion and assistance to voluntary action, strengthening and promotion of voluntary efforts in rural development with focus on injecting new technologies appropriate to the rural areas and to act as conduit for transfer appropriate technologies to Government Departments, Public Sector Undertakings, Cooperative Societies and Members of the Public, disseminate knowledge on rural technologies, promote all-round rural development and creation of employment opportunities and programmes, conservation of environment, setting up institutions of research, collaboration with other institutions, conduct of training programmes, lectures and seminars including training of trainers, carry out research studies, prepare print and publish papers and create awareness amongst the people on IPR. For this purpose the Society may raise funds.

Source of funds

6. There are multiple sources of funds for CAPART including grants by the Central or the State Governments, donations and contributions from other agencies, fees and charges imposed by the Society, income from investments and other sources. Provision of these multiple sources indicates that the intention of the Government was that CAPART should attain self-sufficiency.

CAPART in need of Reforms

7. CAPART has had a troubled existence right from the beginning. The organisation seems to be suffering from: Plagued by poor image; Strong Perceptions of ineffectiveness, inefficiency and mission

dissipation; Rent seeking behavior; Gross indiscipline and disregard of the objective; Failure to build up a financial self-sufficiency and a healthy corpus; No organization focus; No networking at any except with clientele institutions.

7.1 In view of the above, CAPART has been assessed a number of times since inception which includes a TCS Study and Organisation review (1996), short term review of the structure (2000), Secretary (RD) Committee (2005), Vinay Shankar Committee (2005-06), Vitthal Evaluation Committee (2005), Sevottam (2008-09), Strategic Planning and Result Framework (2010).

7.2 In the year 2009, 6 Sub-Committees of the Executive Committee (EC) were constituted to suggest reforms in CAPART and their Reports have since been submitted. The EC meeting convened on 30th April 2010 decided to appoint IRMA for a third party evaluation of the reports submitted by the Sub-Groups. The Report of IRMA has since been submitted.

IRMA Recommendations

8. The Report emphasizes excessive interference from the Government as the key factor for its present state of affairs and emphasises full autonomy for the organisation in order to cure its defects. The funding must be resumed forthwith; the status of the Regional Centres have to be upgraded through IT based application; CAPART should emerge from self renewal exercise as a 'knowledge—embodied and learning organisation'; management has to be professionalised with a stable term for the top executive with a fixed tenure being a sine qua-qua-non; there has to be balanced stakeholders representation etc. The Report goes ahead to give several options: CAPART could either be a Government instrument for the programmes of the MoRD or for all Ministries in the GoI or get delinked with the Ministry and be placed on a stand alone basis to play further roles in the civil societies or it could even function as a full forum of civil society. In the case one of the last 2 options were to be selected the Government could place an initial corpus grant given for this purpose; self enforced discipline is necessary; CAPART needs to undertake a process of renewal in phases. In Phase-I comprises of a series of workshops leading to formulation of strategies and organisational design within 4 months. Phase-II comprises the implementation stage. In other words the remedy for the ills of CAPART is to be self-found and the organisation has to search for that.

9. The reports of Sub-groups and IRMA report is at present under the active consideration of the Ministry. The Ministry had done an indepth examination of the reports submitted by the Sub-Groups and

report of the IRMA. Based on that, a restructuring proposal has been approved by Hon'ble Minister, Rural development. The measures suggested range from creating a new focus for CAPART on Capacity development, focus on Marketing, Creating institutional networking of stakeholder organizations, structural reorganization including open selection for DG's post etc. The details are as under:

Proposed measures for reforming CAPART

i. Creating a New Focus

   a. Capacity development of PRIs;
   b. SHGs and their federations;
   c. Sustainable development of natural resources;
   d. Capacity development of voluntary organisations;
   e. Learning from the people's models.

ii. CAPART should revert to its original role of development/ dissemination of appropriate rural technologies wherein a focus is required on the following:—

   a. Collect, audit, store and disseminate technologies;
   b. To act as a platform for technology producing, users and marketing institutions;
   c. To provide the technological input for NREGS, NRLM, IAY and other programmes of the Ministry;
   d. Youth Employability Skill Development and Placement: the Kaarigar Scheme (Group 3);
   e. Engagement with Appropriate Technologies and Knowledge Systems for enhancing nature based livelihoods (formerly ARTS) (Group 2);
   f. Strengthening Institutional Base for enhancing Technical Competencies in CSOs (TRCs) (Group 2).

iii. **Marketing of Rural Produce:** Holds the key to the success of the RD and other initiatives. The rural produce do not find adequate markets on account of distances, costs and access to electronic media. It is, therefore, necessary that the rural produce must be provided this access so that the terms of trade are corrected. This focus could be brought in the following ways:—

   a. Organise haats/melas at the national/all States capital on permanent basis;

b. Organise an e-marketing network for all rural produce;

c. Induct SHGs and other rural producers for this network;

d. Evolve a revenue model for the scheme;

e. Gradually spread the marketing network internationally.

iv. **Grassroots Planning:** One of the major problems identified is regarding the lack of involvement of the people with the programmes. This is because the planning process does not involve the people and despite all protestations grassroots planning is not being practised. Here, grassroots planning becomes an imperative with focus on following subjects:

a. Capability building of the people in the tools of grassroots planning;

b. Capacity development of the PRIs and other people's institutions in grassroots planning;

c. Creating awareness of different models that have emerged in grassroots planning;

d. Helping people to evolve their own formats and appropriate models;

e. Creating linkages through local and regional networks;

v. **Process Support:** Apart from huge investments Government has much stake in the success of its programmes in the rural areas. The following focus needs to be created:

a. CAPART to be the principal institution to provide process support to the Government programme structure;

b. Process Support to include grassroots planning, implementation, resource mobilisation and social-audit;

c. To provide legal literacy, mobilisational and other issue based support to the Panchayats;

d. Enable realization of Rights: Forest Rights, RTI, MGNREGA, Right to Food etc. (Sub-Group 1);

e. Fill up the missing link between institutions like DRDAs, RSETIs and the PRIs and the people;

f. Also to undertake process design, documentation and module development;

vi. **Marketing Support:** With initiatives like SHGs marketing support to rural products is vital for any exercise in resuscitation. CAPART will fulfil this role with focus on the following:

   a. To network with State-led endeavours like NRLM, SHGs and their Federations, PURA, Khadi Board and other enterprises in the rural areas;

   b. To create a platform of the marketing institutions;

   c. To expand the scope of the Gram Shree Melas to create an universal coverage;

   d. To undertake and promote e-marketing for the constituent units;

   e. Research including Action Research into the marketing needs of the constituent units;

   f. Networking with the other initiatives of the Government and the voluntary sector;

vii. **Networking:** A major failure on part of the Voluntary Organisations is their incapacity to network together on major issues. CAPART is ideally placed to play this role with a clear focus on:

   a. Create robust institutional network;

   b. To act as platform of national and international funding agencies, Government, other institutions, PRIs and VOs;

   c. Representation and advocacy on behalf of VOs;

   d. Create partnership with Anchor Organisations in different regions;

   e. Bring all such organizations into a network to support the Government and other endeavours in rural areas;

viii. **Structural Reorganisation:** Selection of DG/DDGs;

   a. Organisation created for a different time and context. CAPART is structurally not able to cope with the requirements of workload. An antiquated organisational structure has become a constraint to the growth of CAPART;

   b. The process of selection of the CEO and the top executive a key process. The upper management is monopolised by IAS cadre. Not every IAS officer is capable of handling the

workload in CAPART. It is essential that the process of selection of the CEO and the top executive needs to be broadened.

c. The DG should be selected through a transparent broadbased selection process from the open market. A Search Committee headed by an eminent person like Deputy Chairman/Member, Planning Commission needs to be constituted. The post of DG/DDGs should have a fixed term of 5 years extendable by another term.

d. One DDG should be from the Voluntary Sector while the third could be from the open market.

e. The emolument of the DG should be fixed at Rs 1.5 L while the DDGs should get 1L fixed.

f. All other staff should be recruited from the open market for fixed terms;

g. Continuation should be on the basis of annual appraisal by an independent machinery.

ix. **Change in Funding Pattern:**

a. There can be no functional autonomy without financial autonomy. CAPART needs to delink from its dependence upon the Government for its day-to-day existence. [IRMA Report]

b. A Corpus of Funds of Rs. 1,000 C to be created at CAPART.

c. CAPART should service all Central/State Government organisations international funding agencies, industrial houses and should seek project based support from them;

d. CAPART should access multiple sources of funding;

e. The Ministry would undertake project based funding to CAPART. This would help the organisation to get its acts together.

f. CAPART may develop into a Federation of funding organisations and could even become a clearing house for FCRA proposals;

x. **Change in the Internal Processes:**

a. Any change in CAPART has to be preceded by change in its internal processes of invitation of application, appraisal,

funding, monitoring and evaluation. These processes have to acquire objectivity, transparency and have to adhere to time lines.

b. The processes have to be made IT based and human interface have to be minimised to the extent possible. The movement of the project proposals have to be online through the web so that there is transparency.

c. There has to be a process of registration of organisations along with evaluation at the entry points.

d. The vigilance process to be reconsidered. The present system of vigilance has done least to check the behaviour in rent seeking.

e. We could think in terms of having a Standing Committee on Vigilance in place of the Director Vigilance.

f. The filing, storage and retrieval of information have to made totally electrophonic based.

xi. **Changes in the Governing Structure:**

The major stakeholders including the NGOs, the staff, the PRIs, other Ministries to acquire a real stake in the governance process.

Internal autonomy is a *sine qua* non for the organisation but it is not to be equated with licence to indulge in non-objective related behaviour:

a. While the Minister (Rural Development) continues may continue to be the President of the General Council of CAPART Member (RD) of Planning Commission or the Deputy Chairman himself be the Chairman of the Executive Committee.

b. Members of the alliance of funding institutions could be included in the governing process in the EC or the GC.

c. It is necessary the Regional Centres need to be developed, vested with greater autonomy and financial and other powers. They need to be made functional.

d. We need to put together a transparent process for nomination to the GC/EC of CAPART.

e. Some of the Regional Centres could also be managed in PPP mode with the help of the organizations.

f. There is urgent need to get away from the Government processes.

xii. **Stages of Restructuring**

I. In Stage I, the organisational changes would be made including the proposed pattern of the appointment of the DG/DDG and the rest of the top management.

II. Conduct a series of workshops for firming up the Vision, Mission and the Strategies.

III. In Stage II put the financial processes in place and start working it out.

IV. Create Networking;

V. Many of these actions will take place simultaneously.

11. As a step forward, the Ministry had already initiated the process of reform by constituting a Search Committee to review the efficacy of the existing system for selection and appointment to the post of DG and DDG, CAPART. The composition of the Search Committee shall be as under:—

1.	Dr. Mihir Shah, Member, Planning Commission	—	Chairperson
2.	Shri B.K Sinha, Secretary, Rural Development	—	Member
3.	Ms. Renana Jhabvala, Coordinator, Self-Employed Women's Association (SEWA), Ahmedabad	—	Member
4.	Shri Deep Joshi, Member, National Advisory Council	—	Member
5.	Dr. Vivek Bhandari, Former Director, IRMA	—	Member

Terms of Reference of the Search Committee:—

(i) The Committee shall review the efficacy of the existing system for selection and appointment to the post of Director General, CAPART.

(ii) The Committee shall recommend suitable modifications in the existing system of appointment in order to provide the desired continuity, stability and effectiveness.

(iii) The Committee shall recommend the qualifications, methodology and search procedures for the post of DG, CAPART through Search-cum-Selection Committee.

(iv) The Committee shall submit its report within two months to the Hon'ble Minister of Rural Development & President, CAPART.

12. The Search Committee had held its meetings and is finalizing the mode of appointment for the posts of DG and DDG, CAPART. We have further requested the DoP&T to approve the constitution of Search-cum-Selection Committee for selection to the posts of DG and DDG, CAPART.

13. It is hoped that once restructuring process is completed in timebound manner, CAPART would be able play its due role in a more effective manner.

APPENDIX IV

COMMITTEE ON RURAL DEVELOPMENT (2011-2012)

EXTRACTS OF THE MINUTES OF THE FIFTEENTH SITTING OF THE COMMITTEE HELD ON MONDAY, THE 22 FEBRUARY, 2012

The Committee sat from 1500 hrs. to 1630 hrs. in Committee Room No. 'E', Basement, Parliament House Annexe, New Delhi.

PRESENT

Shrimati Sumitra Mahajan—*Chairperson*

MEMBERS

Lok Sabha

2. Shri Gajanan D. Babar
3. Shri Maheshwar Hazari
4. Shri P. Kumar
5. Dr. Ratna De (Nag)
6. Shri A. Venkatarami Reddy

Rajya Sabha

7. Shri Mani Shankar Aiyar
8. Shri Hussain Dalwai
9. Shri P. Rajeeve
10. Shri Mohan Singh
11. Smt. Maya Singh
12. Miss Anusuiya Uikey

SECRETARIAT

1. Shri Brahm Dutt — *Joint Secretary*
2. Shri A.K. Shah — *Additional Director*
3. Shri Raju Srivastava — *Deputy Secretary*

2. At the outset, the Chairperson welcomed the members of the Committee to the sitting convened to discuss *** consideration and adoption of draft Action Taken Reports on action taken by the Government on recommendations of the Committee on Demands for Grants (2011-12) in respect of ***, Department of Rural Development and ***.

3. *** *** *** ***

4. Thereafter, the Committee considered draft Action Taken Reports on action taken by the Government on recommendations contained in ***, 20th, and *** reports of the Committee on Demands for Grants (2011-12) of the ***, Department of Rural Development and *** respectively. After detailed discussion, the Committee adopted draft Reports without any modifications. The Committee also authorized the Chairperson to finalize the Reports and present them to Parliament.

The Committee then adjourned.

***Relevant portion of the Minutes not related with the subject have been kept separately.

APPENDIX V

[*Vide* Introduction of Report]

ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS CONTAINED IN THE TWENTIETH REPORT (15TH LOK SABHA) OF THE STANDING COMMITTEE ON RURAL DEVELOPMENT

I.	Total number of recommendations:	25
II.	Recommendations that have been accepted by the Government: Serial Nos. 1, 3, 5, 7, 8, 9, 10, 11, 12, 13, 15, 17, 18, 19, 21, 23, 24 and 25	
	Total:	18
	Percentage:	72%
III.	Recommendations which the Committee do not desire to pursue in view of the Government's replies: Serial No. 20	
	Total:	01
	Percentage:	04%
IV.	Recommendations in respect of which replies of the Government have not been accepted by the Committee: Serial Nos. 14 and 16	
	Total:	02
	Percentage:	08%
V.	Recommendations in respect of which final replies of the Government are still awaited: Serial Nos. 2, 4, 6 and 22	
	Total:	04
	Percentage:	16%